

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 00-0072P

Income Tax Penalty
Calendar Year 1997

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

ISSUE(S)

I. **Tax Administration** – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer, in a letter dated January 13, 2000 protested the penalty assessed for 1997.

I. **Tax Administration** -Penalty

DISCUSSION

Taxpayer was assessed a negligence penalty for failure to timely pay its entire tax liability by the due date of the return.

Taxpayer states it did not deliberately disregard its payment, but unintentionally overlooked it due to the loss of a Senior Staff Member of the Tax Department. Taxpayer states, that until this clerical error occurred, it had recorded and remitted all taxes on a timely basis. This occurrence was isolated and not a material omission. Taxpayer requests the penalty be reconsidered for abatement based on its past performance and the circumstances that caused the error.

0220000072P.LOF

PAGE #2

Taxpayer was several months late in paying all of its tax liability. Overlooking the tax due upon filing a return is not considered reasonable cause.

The department finds that a negligence penalty is proper.

FINDING

Taxpayer's protest is denied.

DW/RAW/JMS 002502